

This document supplements **B-2004-08 SRB-96-16**

This document supersedes **SRB-89-02 SRB-90-02**

See **SCOPE** for more information.

MASSACHUSETTS INSURANCE BULLETINS AND RELATED MATERIALS

MISCELLANEOUS BULLETINS

Bulletin B-2008-8

May 20, 2008

TO: Rating Organizations And Insurance Carriers, Including Commercial Insurance Companies, Fraternal Benefit Societies, Legal Service Plans, Health Maintenance Organizations And Hospital, Medical, Dental And Vision Service Corporations

FROM: Nonnie S. Burnes

Commissioner Of Insurance

DATE: May 20, 2008

RE: GUIDELINES FOR THE SUBMISSION OF FORM, RATE AND RULE FILING MATERIALS FOR REVIEW BY THE MASSACHUSETTS DIVISION OF INSURANCE

This Bulletin identifies requirements and guidelines for the submission of form, rate, and/or rule filings by all insurance carriers and rating organizations doing business in the Commonwealth of Massachusetts with regard to the following products:

- personal and commercial lines property and casualty products;
- individual and group life and annuity products;
- credit life, accident and health, and involuntary unemployment products;
- individual accident and sickness products; and
- insured health benefit plans.

These requirements and guidelines are intended to streamline the filing and review process of these products so that they can move to the marketplace AS quickly as possible. The Division of Insurance's ('Division') goal is to review all such filings and either to approve, disapprove, place on file, or reject them within 60 days. This Bulletin supersedes filing instructions included in Bulletins 89-02 and 90-02.

The Division does not require that the following be submitted to the Division:

CERTAIN PROPERTY AND CASUALTY PRODUCTS

- Forms, rates and rules for certain large commercial policyholders that are exempt from filing requirements under M.G.L. c. 175, §224 and 225 and as identified in Bulletin 2004-08;
- Manuscript or single-case policies;

- Inland marine and aircraft rates for certain products exempt from filing requirements under M.G.L. c. 174A;

- Individual risk rate applications; and

- So-called 'a' rates for classes of certain special risks. [FN1]

CERTAIN ACCIDENT, SICKNESS AND HEALTH PRODUCTS

- Advertising and marketing materials for non-Medicare Supplement products; and

- The following coverages that are offered through an employer or association: group accident, group disability income, group specified disease, group hospital indemnity or group long-term care insurance products.

MANDATORY USE OF SERFF IN SUBMITTING FILINGS

Insurance carriers historically have had discretion to submit form, rule and rate filings to the Division via the System for Electronic Rate and Form Filing ('SERFF'). The use of SERFF improves the Division's ability to review filings, communicate with insurance carriers, and prepare public records because it utilizes a paperless environment in which all submitted materials are stored instantly in a central location and in a pre-arranged format.

In an effort to streamline this process further, all insurance carriers and rating organizations will be required to submit form, rule and rate filings through SERFF as of January 1, 2009. Carriers that are required to submit any such filings in paper format pursuant to a statute or regulation (E.G., when rate filings may be subject to a regulatory hearing) must also submit them through SERFF.

USE OF THE ELECTRONIC FUNDS TRANSFER PROCESS ON SERFF

Currently, insurance carriers and rating organizations must submit form, rate and rule filing fees through a lockbox system in accordance with Bulletin 96- 16. The Division is taking the steps necessary so that filing fees may be submitted to the Division by Electronic Funds Transfer ('EFT') through SERFF in August 2008. The Division will continue to accept fees filed through the lockbox system until January 1, 2009. All fees must be submitted by EFT as of that date.

[FN1] so-called 'a' rates are for classes of risks where the premium and loss data are not of sufficient homogeneity to calculate meaningful rates. This Section applies to all (a) rates, whether they are any of the following: guide (a) rates: Class average rates for special classes of risks, which require more frequent individual risk modification than manual rates. 'pure' (a) rates: rates for classes where a class average rate, even if calculable, cannot reasonably be used for most individual risks without substantial modifications. unfiled (a) rates: all 'pure' (a) rates and modifications to published guide (a) rates. Except with regard to guide (a) rates suggested by any licensed Rating Organization, there are no formal filing requirements for (a) rates per se. Any insurer issuing a policy of insurance which is in whole or in part rated on an (a) rate basis need not to file any material with the Division, but must maintain complete and accurate documentation for each policy rated on this basis. Such documentation is subject to any reasonable demand by the Division for review of such files for premium, loss, claim

or other approved statistical plan records, on an individual basis or summarized. With regard to guide (a) rates suggested by any licensed Rating Organization, any insurance carrier departing above the suggested rate(s) must annually submit a summary of those policies affected by the departure.

Insurance Product Line: General

A-to-Z Index Terms:

FILING REQUIREMENTS - Policies

FILING REQUIREMENTS - Rates

POLICY - Filing requirements

RATES AND RATEMAKING - Filing requirements

MA Bulletin B-2008-8

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